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4. Toward the end of 1951, Intrac bought the Merkuria company for approximately 1,000,000 Austrian schillings. According to the official bill of sale, however, the sum paid for the company amounted to only 200,000 schillings. The 200,000 schillings which represent the legal price, are now in a frozen account at the Austrian National Bank. The balance, 800,000 schillings, was given to Sveda, the Czechoslovak commercial attache in Vienna. Sveda used these funds to buy scarce metals such as aluminum, tungsten, vanadium, and titanium. The transaction was arranged by the former manager of Omnipol, Josef Tomek. The purchasing agents for the Czechoslovak national enterprises were: Hrdina (fnu) of Ferromet and Josef Zima from Poldina Hut in Prague. The goods were procured by Frankl (fnu), Koenig (fnu) and Count Esterhazy (fnu), all three of whom are Austrian citizens. Tomek is a Czech from Vienna; at present he is purchasing agent for Omnipol, but he spends a great deal of time working out black market deals in cooperation with Sveda.
5. Intrac has also purchased the following Czechoslovak foreign representative companies: Anthrazit, formerly the property of Czechoslovak Mines, National Corporation; Omnipol, formerly the property of Czechoslovak Machinery Plants, National Corporation. It is not known what the real price of these firms was, how much money was actually paid or who the recipient of the money was.

The Sale of the Kotva Company*

6. The Kotva Company was formerly the Austrian representative of the Czechoslovak Bata Works, National Corporation, which exported and imported machinery, finished goods and raw materials. Kotva was sold at the beginning of 1952 to five Kotva officials. Some of the five officials are Czechoslovak, some Austrian citizens; all reside in Vienna and have been associated with the company for many years. Kotva was allegedly sold for 300,000 Austrian schillings, but it is not known whether this sum represents the legal or the "black" price.

Preparations for the Sale of Chem-Oil

7. It was originally planned to sell Chem-Oil, the Austrian representative of Chemapol, to the former manager of Chem-Oil, but conditions of sale agreeable to both parties could not be reached. Intrac also considered buying Chem-Oil, but no agreement could be reached concerning the sale in this case either. The Chemapol management in Prague has been trying to limit Chem-Oil independent activities and has reserved for itself the right to conclude all export contracts.
8. At present, a group consisting of the Kotva firm, Tomek, Antosch (fnu) and Engler (fnu) is considering the purchase of Chem-Oil for 300,000 Austrian schillings. The official bill of sale will list the sales price as 50,000 schillings, and the balance of 250,000 schillings will be paid to Attache Sveda. Kotva is to pay 40% of the 300,000 schillings, Tomek 40% and Antosch and Engler the remaining 20%. Tomek will buy his share of Chem-Oil with his own money; he will not be acting on behalf of Intrac. 25X1
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 Antosch and Engler, both Czechs from Vienna, will purchase on behalf of the Austrian Communist Party.
9. As yet, it has been impossible to conclude the sale of Chem-Oil, because the question of the relationship between Chemapol and Chem-Oil has not been clarified. The Austrian authorities are not satisfied with the authorization presented by the manager of Chemapol and have required that a certified document from Czechoslovakia proving that Chemapol owns Chem-Oil be presented. The real owner of Chem-Oil is the Czechoslovak Chemical Plants, National Corporation.

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The Attempted Sale of the Continental Steel Company, Vienna**

10. All attempts on the part of the Czechoslovak government to sell the Continental Steel Company, Vienna, have been fruitless. The Continental Steel Company is the sole agency for selling and buying iron and steel for Czechoslovakia. Before it was nationalized, Continental Steel Company was financed partly by two Czechoslovak companies, Banska a Hutni and Vitkovice Iron Works, and partly by foreign capital. The Austrian government does not fully acknowledge the nationalization of Czech companies. Various foreign branches of Banska a Hutni, the Dortmund branch for example, have also refused to acknowledge the nationalization of the mother company and are existing now as independent enterprises, though these branches still claim shares of the Continental Steel Company in Vienna.

Present Status of the Metrans Forwarding Agency

11. As yet, no move has been made to liquidate Metrans, the Czech forwarding agency for international transports. Metrans central offices are in Prague, Prikopy 8. In Austria, Metrans is represented by Express, which is Communist-controlled and cooperates closely with the Soviet forwarding agency Juschwneschtrans. Metrans, together with Juschwneschtrans, is entrusted with the transport of materials purchased illegally in Austria.

* Comment: According to the 1951 Handelscompass, Kotva Import-Export G.m.b.H. is located in Vienna I, Gonzagagasse 1.

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** Comment: This firm is not listed in available reference material.

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